



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2009 Biennium

<b>Bill #</b>	HB0702	<b>Title:</b>	Reject no child left behind act
<b>Primary Sponsor:</b>	Jore, Rick	<b>Status:</b>	As Introduced

- |   |  |  |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact     | <input type="checkbox"/> Needs to be included in HB 2  | <input type="checkbox"/> Technical Concerns              |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

### FISCAL SUMMARY

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
<b>Expenditures:</b>				
General Fund	\$0	\$0	\$0	\$0
Federal Special - State Level	(\$6,172,439)	(\$5,697,372)	(\$5,641,317)	(\$5,641,317)
Federal Special - Local Education	(\$115,017,927)	(\$114,579,006)	(\$114,358,683)	(\$114,358,683)
<b>Revenue:</b>				
General Fund	\$0	\$0	\$0	\$0
Federal Special Revenue	(\$121,190,366)	(\$120,276,378)	(\$120,000,000)	(\$120,000,000)
<b>Net Impact-General Fund Balance</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**Description of fiscal impact:** HB 702 directs the superintendent of public instruction to not implement the No Child Left Behind Act of 2001. This proposal rejects \$120 million in federal education funds annually and potentially jeopardizes the state's eligibility for other federal education funds.

### FISCAL ANALYSIS

#### Assumptions:

- Montana received \$121,958,706 for federal education programs under No Child Left Behind (NCLB) in FY 2006, of that \$49,069,357 went directly to schools without passing through the OPI and approximately \$6.17 million funded state level activities at the Office of Public Instruction.

2. In FY2006, the Office of Public Instruction expended \$17.37 million for state level activities. Of this total, \$11.21 million or 64.5% was funded from federal sources. The NCLB program portion of these expenditures was \$6.17 million.
3. In FY 2006, the Office of Public Instruction distributed \$733.87 million to local education agencies. Of this total, \$132.97 million or 18.1% was funded from federal sources. The NCLB program portion of these expenditures was \$72.58 million.

	<b><u>FY 2008 Difference</u></b>	<b><u>FY 2009 Difference</u></b>	<b><u>FY 2010 Difference</u></b>	<b><u>FY 2011 Difference</u></b>
<b><u>Fiscal Impact:</u></b>				
<b><u>Expenditures:</u></b>				
State Level Activities	(\$6,172,439)	(\$5,697,372)	(\$5,641,317)	(\$5,641,317)
Grants	(\$115,017,927)	(\$114,579,006)	(\$114,358,683)	(\$114,358,683)
<b><u>Funding of Expenditures:</u></b>				
Federal Special Revenue (03)	(\$121,190,366)	(\$120,276,378)	(\$120,000,000)	(\$120,000,000)
<b><u>Revenues:</u></b>				
Federal Special Revenue (03)	(\$121,190,366)	(\$120,276,378)	(\$120,000,000)	(\$120,000,000)
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u></b>				
Federal Special Revenue (03)	\$0	\$0	\$0	\$0

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*Sponsor's Initials*\_\_\_\_\_  
*Date*\_\_\_\_\_  
*Budget Director's Initials*\_\_\_\_\_  
*Date*